

State Water Resources Control Board

Division of Drinking Water

October 24, 2017

System No.: 2010007

Mr. James Foster, Water Company Manager
Hillview Water Company
P.O. Box 2269
Oakhurst, CA 93644

Dear Mr. Foster,

State Water Resources Control Board Notice Regarding Mandatory Consolidation

Effective June 24, 2015, Section 116680 through 116684 was added to the California Health & Safety Code, addressing consolidation of public water systems.

State Water Resources Control Board – Division of Drinking Water (Division) records indicate that the water delivered by Yosemite High School's (School) public water system contains arsenic at levels that exceed the maximum contaminant level established in state and federal regulations. Since approximately 2008, the School's water system has consistently failed to provide safe drinking water due to the high arsenic levels. It is the Division's understanding that the Hillview Water Company's (Hillview) service area is approximately 1.5 miles west of the school, and that Hillview currently provides water to Yosemite High School through two service connections for fire protection and stand-by emergency use.

The Division strongly encourages Yosemite High School and Hillview Water Company to work out voluntary consolidation of their public water systems. If a voluntary consolidation is not timely achieved, the Division intends to take action pursuant to Health & Safety Code section 116682, subdivision (a) for consolidation of Yosemite High School's Water System into Hillview Water Company's water system. Please note that as used in the applicable statutory authority, the Hillview Water Company is hereby identified as the potentially receiving water system and the Yosemite High School water system is identified as the potentially subsumed water system.

This letter serves as official notification that, pursuant to Health & Safety Code section 116682, subdivision (b)(7)(A), Yosemite High School, the potentially subsumed water system, is directed to negotiate consolidation with Hillview Water Company, the potentially receiving water system. The School is further directed to complete such negotiations and report the outcome to the State Water Board Division of Drinking Water, Merced District Office, not later than three (3) months following the date of this letter. The Division believes that three months should be sufficient given the amount of work that has already been done to study the consolidation proposal.

The School received a Proposition 84 planning study grant in April 2012 to evaluate alternatives to get in compliance with the drinking water standard for arsenic. One of the alternatives that was evaluated was the feasibility of consolidation with the Hillview Water Company. The first planning project was deemed complete in September 2014. A second planning grant was necessary because the funding agreement expired. As such, a second planning grant was issued on July 31, 2015. One of the deliverables from the second planning grant was a revised planning phase project report and a water service agreement with the Hillview Water Company. The Hillview Water Company provided a letter dated January 21, 2016, indicating its willingness to provide potable water to the Yosemite High School. Given that the concept of consolidation has been being considered since the original planning grant was awarded in 2012, negotiations for consolidation should not take in excess of three months. The Division will consider allowing additional time if a written request is received from the Yosemite High School prior to the three month deadline and is supported by demonstration that progress is being made and that additional time is necessary to finalize the deal. Otherwise, the Division will likely begin to move forward with mandatory consolidation proceedings.

The State Water Board acknowledges that consolidation is a complex process and stands ready to assist you so that you are successful in delivering safe, affordable and accessible drinking water to the neighboring School in a cost-effective manner. Pursuant to Health & Safety Code Section 116682 subdivision (b)(7)(B), during the three month negotiation period, the State Water Board will provide technical assistance and work with Hillview Water Company and Yosemite High School to develop an appropriate financing package, if needed.

If you have any questions regarding this matter, please contact Kassy Chauhan, Merced District Engineer for the Division, at (559) 447-3316, or me at (559) 447-3132. For funding related questions, please contact the Division of Financial Assistance at (916) 341-5700.

Sincerely,



Carl L. Carlucci, P.E.
Supervising Sanitary Engineer
Central California Section
SOUTHERN CALIFORNIA BRANCH
DRINKING WATER FIELD OPERATIONS

cc: Madera County Environmental Health Department

Dr. Cecilia Greenberg, Superintendent of Yosemite Unified School District
50200 Road 427
Oakhurst, CA 93644

Mr. Ravi Kumra - California Public Utilities Commission
505 Van Nees Avenue
San Francisco, CA 94102

Mr. David Braun, LAFCO Executive Officer - Madera County Local Area Formation
Commission

cc: Mr. Kevyn Moberly – Yosemite Union High School

Jule Rizzardo, P.E.
Office of Sustainable Water Solutions
SWRCB-Division of Financial Assistance
1001 I Street,
Sacramento, CA 95814

Kurt Souza, P.E., Southern California Branch Chief
SWRCB-Division of Drinking Water
1180 Eugenia Place, Suite 200
Carpinteria, CA 93013

Kassy Chauhan, P.E., Merced District Engineer
SWRCB-Division of Drinking Water
265 West Bullard Ave, Suite 101
Fresno, CA 93704

Caitlin Juarez, Southern California Consolidation Coordinator
SWRCB-Division of Drinking Water
265 West Bullard Ave, Suite 101
Fresno, CA 93704